

**Introduced by Senators Borgeas and Caballero  
(Coauthors: Senators Bates, Grove, Jones, Melendez, Nielsen, Ochoa  
Bogh, and Wilk)**

(Coauthors: Assembly Members Bigelow, Chen, Choi, Davies, Flora,  
Fong, Gallagher, Eduardo Garcia, Lackey, Mathis, Nguyen, Patterson,  
Petrie-Norris, Seyarto, Smith, Voepel, and Waldron)

December 10, 2020

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An act to add Section 12098.8 to the Government Code, relating to COVID-19, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 74, as introduced, Borgeas. Keep California Working Act.

Existing law establishes the Office of Small Business Advocate within the Governor's Office of Business and Economic Development for the purpose of advocating for the causes of small business and to provide small businesses with the information they need to survive in the marketplace.

This bill, the Keep California Working Act, would establish the Keep California Working Grant Program. The act would require the Small Business Advocate to administer the program and award grants, of an unspecified amount, to small businesses and nonprofit organizations that have experienced economic hardship resulting from the COVID-19 pandemic. The act would appropriate \$2.6 billion dollars to the Office of Small Business Advocate for those purposes.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote:  $\frac{2}{3}$ . Appropriation: yes. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1 SECTION 1. This act shall be known as the Keep California  
2 Working Act.

3 SEC. 2. The Legislature finds and declares all of the following:

4 (a) COVID-19 has altered nearly every aspect of our lives and  
5 brought a halt to much of California's economy. Many small  
6 businesses are struggling to survive, and recent data indicates that  
7 close to one third of small businesses will not survive beyond  
8 January of 2021 without additional funding. Nonprofits have also  
9 been adversely impacted as their resources and finances have  
10 declined while demand for their services has increased. California  
11 has an obligation to support these businesses and nonprofits in  
12 reducing their financial burdens as they are forced to alter their  
13 operations in order to comply with state mandates.

14 (b) Prioritizing the health and safety of our community while  
15 also supporting measures that responsibly and sustainably support  
16 our economy is a responsibility we have as a legislative body. We  
17 must acknowledge the truly remarkable and selfless ways  
18 businesses and their employees have stepped up to serve our  
19 communities during this crisis and advocate on their behalf.

20 (c) Now more than ever, California should provide relief to  
21 small businesses and nonprofits, or we risk losing a fundamental  
22 component of our communities.

23 SEC. 3. Section 12098.8 is added to the Government Code, to  
24 read:

25 12098.8. (a) As used in this section:

26 (1) "Small business" means a business that meets both of the  
27 following criteria:

28 (A) The business is independently owned and operated.

29 (B) The business has fewer than 100 employees.

30 (2) "Program" means the Keep California Working Grant  
31 Program.

32 (b) The Keep California Working Grant Program is hereby  
33 established under the administration of the advocate for the purpose  
34 of helping small businesses and nonprofit organizations continue  
35 to operate during the COVID-19 pandemic.

36 (c) (1) The advocate shall award a grant, in an amount not  
37 exceeding \_\_\_\_ dollars (\$\_\_\_\_), to an applicant who meets both  
38 of the following criteria:

1 (A) The applicant is a small business or nonprofit organization.

2 (B) The applicant has experienced economic hardship resulting  
3 from the COVID-19 pandemic.

4 (2) The advocate shall award grants on a first-come-first-served  
5 basis to applicants who meet the criteria described in paragraph  
6 (1).

7 (d) The advocate shall adopt, as necessary, application  
8 procedures, forms, administrative guidelines, and other  
9 requirements for purposes of implementing and administering the  
10 program. All application procedures, forms, administrative  
11 guidelines, and other requirements developed by the advocate  
12 pursuant to this subdivision shall be exempt from the rulemaking  
13 provisions of the Administrative Procedure Act (Chapter 3.5  
14 (commencing with Section 11340) of Part 1 of Division 3 of Title  
15 2 of the Government Code).

16 (e) The sum of two billion six hundred million dollars  
17 (\$2,600,000,000) is hereby appropriated from the General Fund  
18 to the Office of Small Business Advocate for the purpose of  
19 administering the program.

20 SEC. 4. This act is an urgency statute necessary for the  
21 immediate preservation of the public peace, health, or safety within  
22 the meaning of Article IV of the California Constitution and shall  
23 go into immediate effect. The facts constituting the necessity are:

24 The COVID-19 pandemic, proclaimed a State of Emergency by  
25 Governor Gavin Newsom on March 4, 2020, has devastated  
26 California's small business and nonprofit communities. Many have  
27 permanently closed, and without additional relief, more will follow.  
28 In order to provide timely essential relief to our struggling small  
29 businesses and nonprofits, it is necessary that this act take effect  
30 immediately.